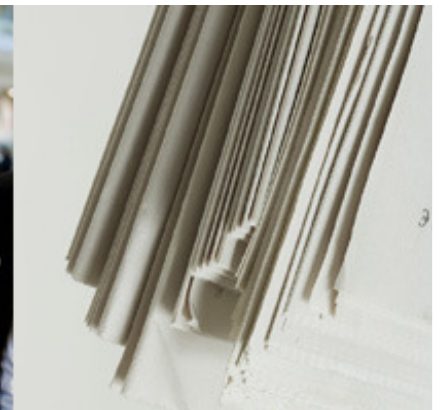


SCA Interim Report

1 January–30 June 2007



Jan Åström, CEO
Lennart Persson, CFO



Delivering according to strategy

- ◆ Strong organic growth
- ◆ Acquisitions and strategic investments
- ◆ Increased share of value-added products and services

Strong volume development

Positive price trend

Higher raw material costs

Strong earnings improvement

Strong development in H1 2007 vs. H1 2006

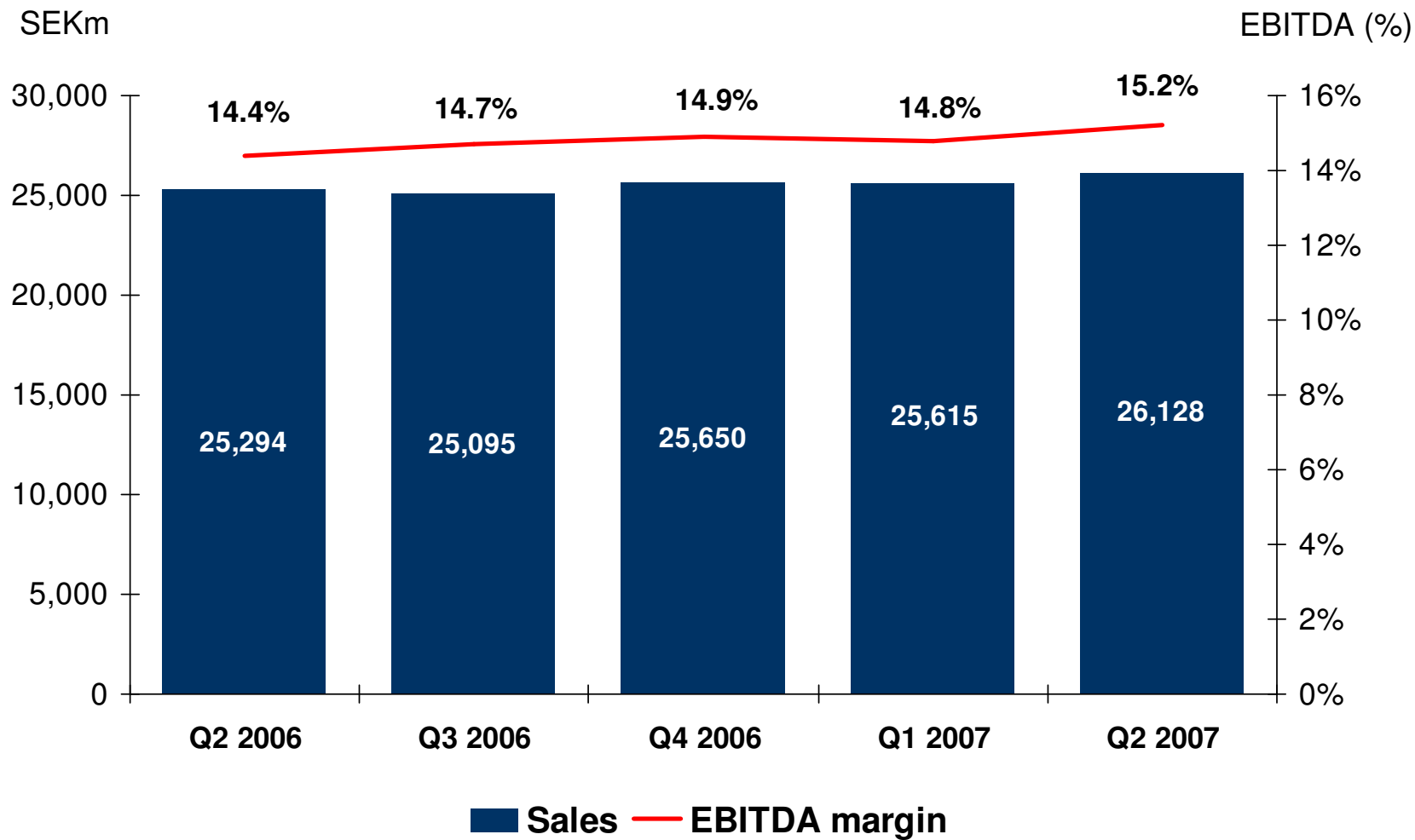
- ◆ Pre-tax profit up 18% to SEK 3,876m
- ◆ Net earnings up 21% to SEK 3,004m

Continued upward trend Q2 2007 vs. Q1 2007

- ◆ Strong volumes, positive price movements and lower energy costs
- ◆ Increased costs for raw materials

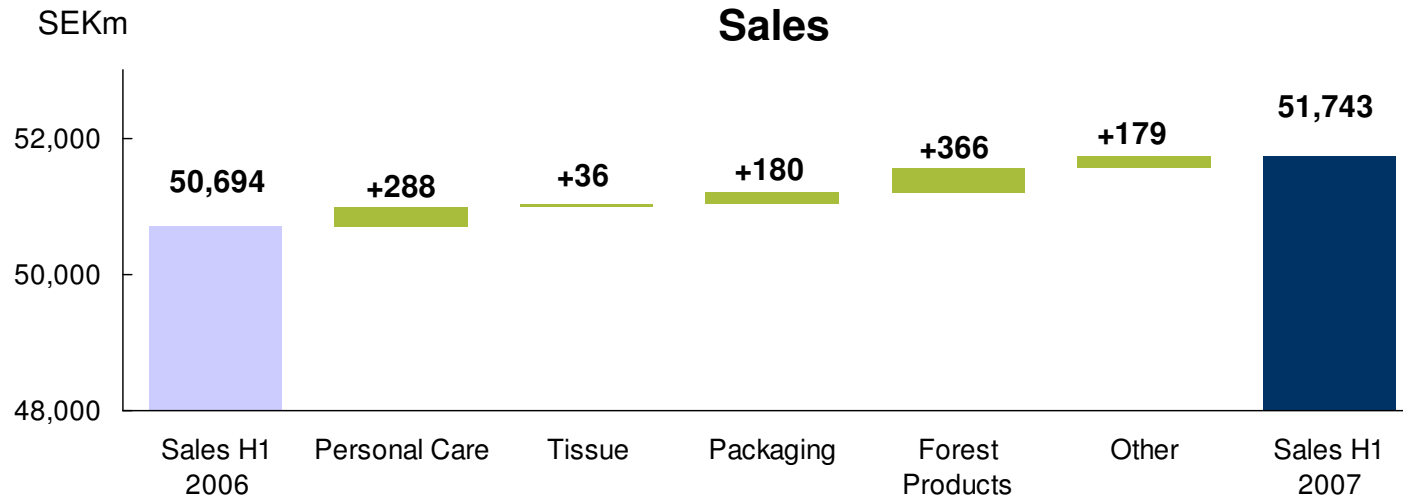


Group – Quarterly Development



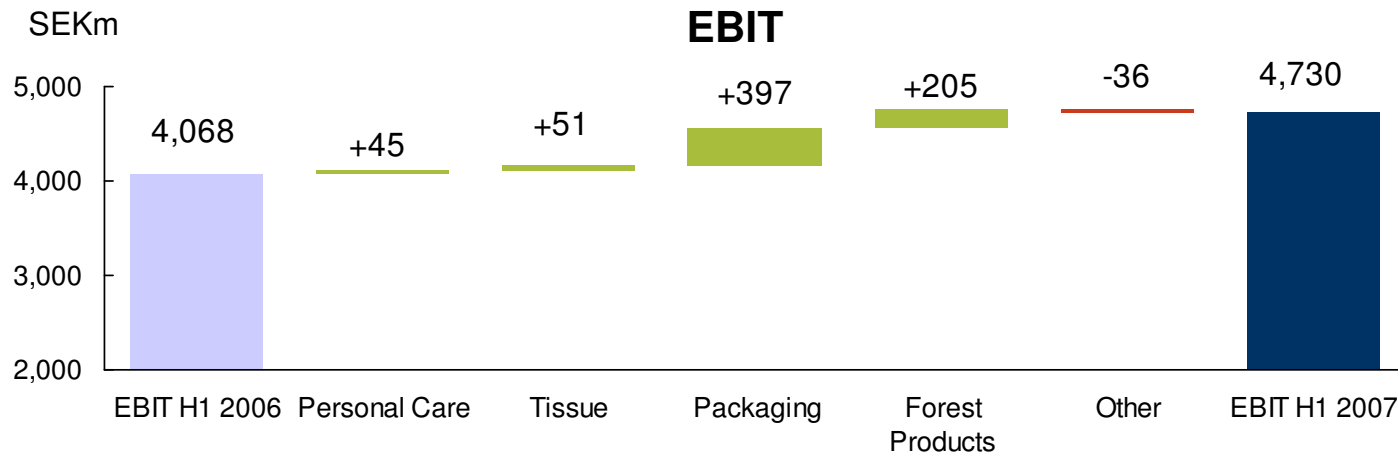
SCA Group Sales and EBIT

H1 2007 compared with H1 2006



Sales: +2%

- Price/mix: +4.5%
- Volume: +1.5%
- Currency: -2%



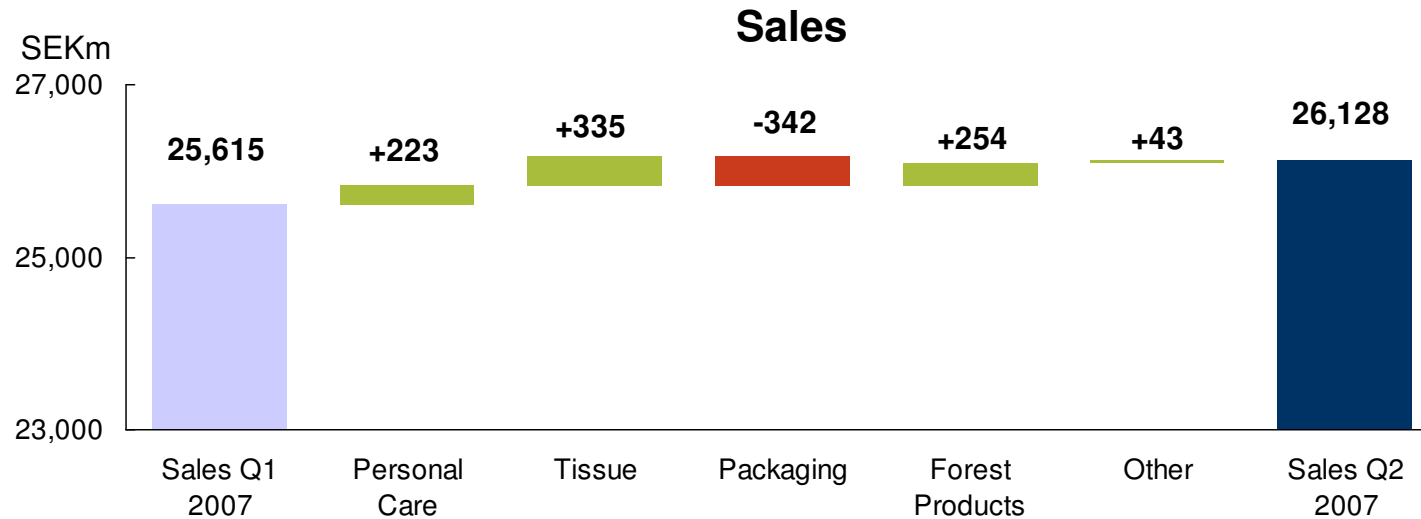
EBIT: +16%

- Price/mix: +49%
- Volume: +9%
- Energy: +9%
- Raw materials: -24%
- Currency: -5%



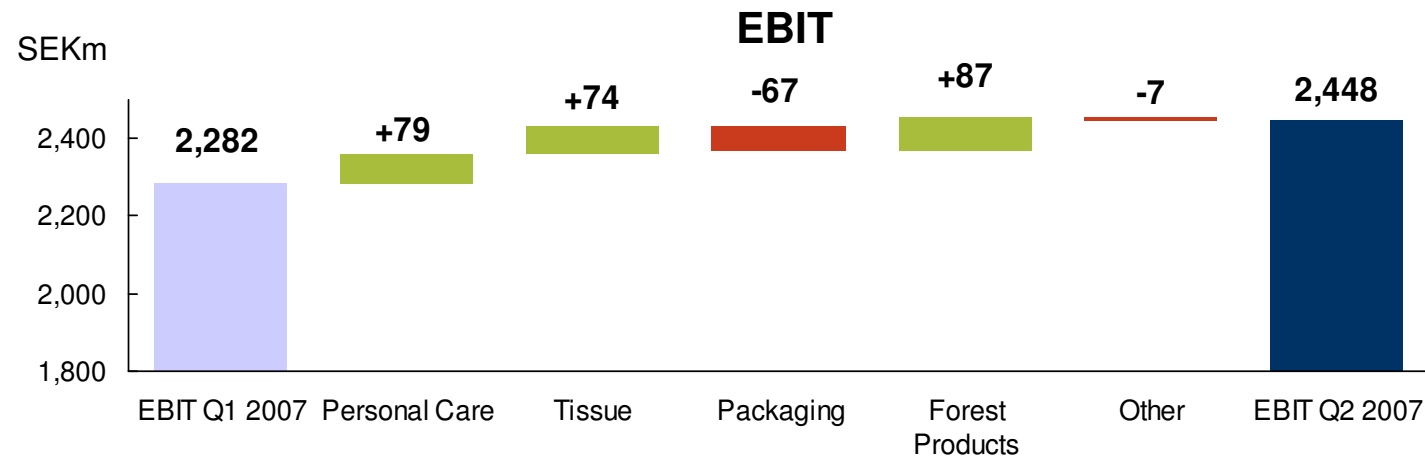
SCA Group Sales and EBIT

Q2 2007 compared with Q1 2007



Sales: +2%

- Volume: +2%
- Price/mix: +1%



EBIT: +7%

- Price/mix: +12%
- Volume: +8%
- Energy: +8%
- Raw materials: -7%



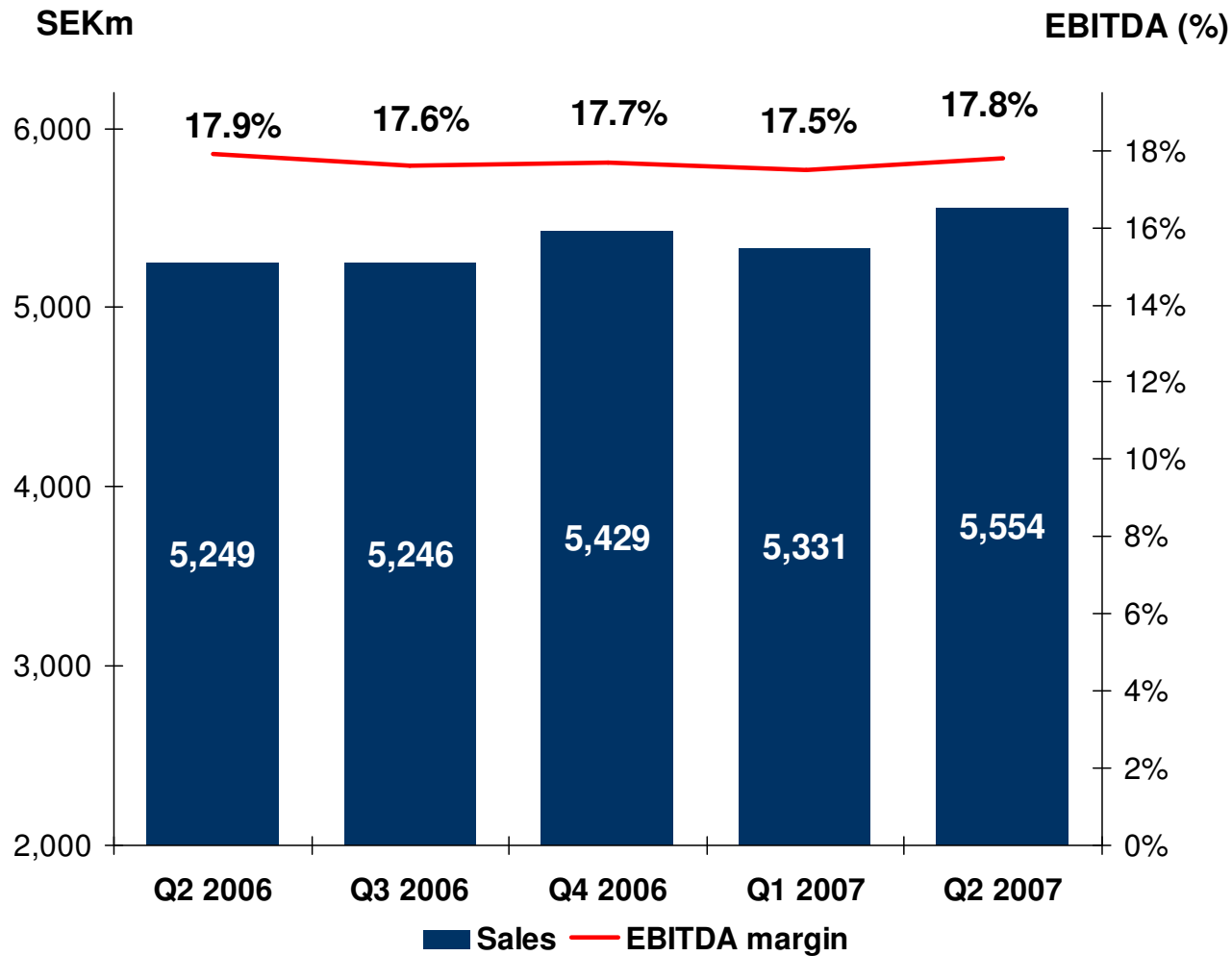
Cash-flow Analysis

H1 2007 compared with H1 2006

- Operating cash surplus SEK 7,423m (6,878)
 - ◆ Higher cash flow from operations
- Cash flow from current operations SEK 919m (772)
 - ◆ Higher net working capital
- Cash flow before dividend SEK 2,827m (325)
 - ◆ Divestment of the packaging operations in North America
- Debt/equity ratio: 0.56 (0.70)
- Taxes:
 - ◆ Tax-rate 2007: 22.5%
 - ◆ Positive one-off effect in Q3 of SEK 400m



Personal Care – Quarterly Development



Q2/Q1 comments:

- Strong volumes, especially within the retail segment
- Increased sales of higher value products in institutional incontinence



Personal Care

- **Incontinence care**

- ◆ Favourable launch of “Feel Dry” and recovered sales in institutional incontinence

- **Baby diapers**

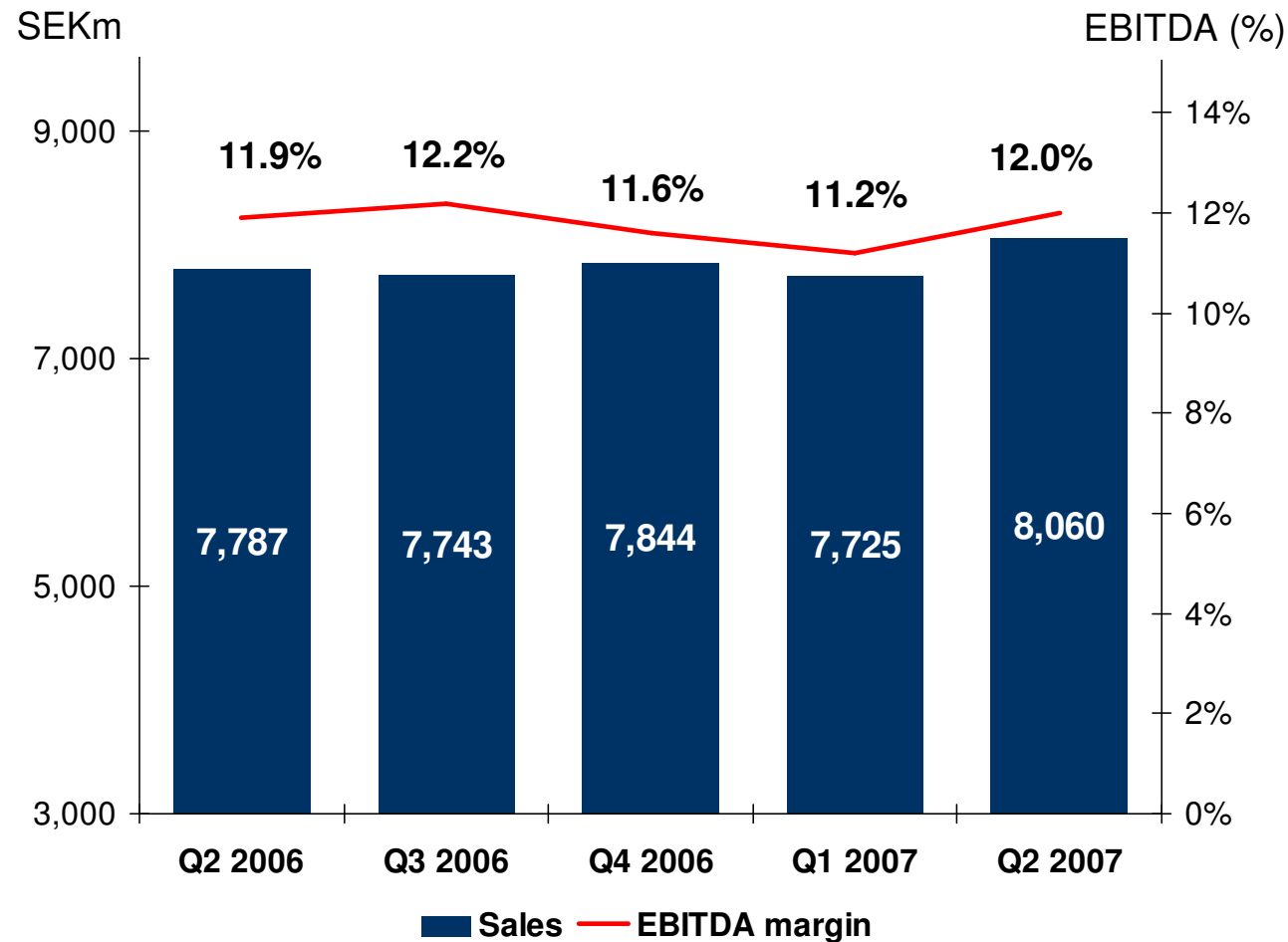
- ◆ Continued strong development for branded products, particularly high growth in Russia and Colombia
- ◆ Good contribution from new pant diapers for retailers’ brands in Europe

- **Feminine care**

- ◆ High growth of branded feminine care products in all markets
- ◆ Launch of new product line with natural essences in Mexico and Central America – Saba’s new Confort line



Tissue – Quarterly Development



Q2/Q1 comments:

- Strong sales growth within AFH in North America
- Further improvements in the European consumer tissue operations
- Increased costs for raw materials
- Lower energy costs

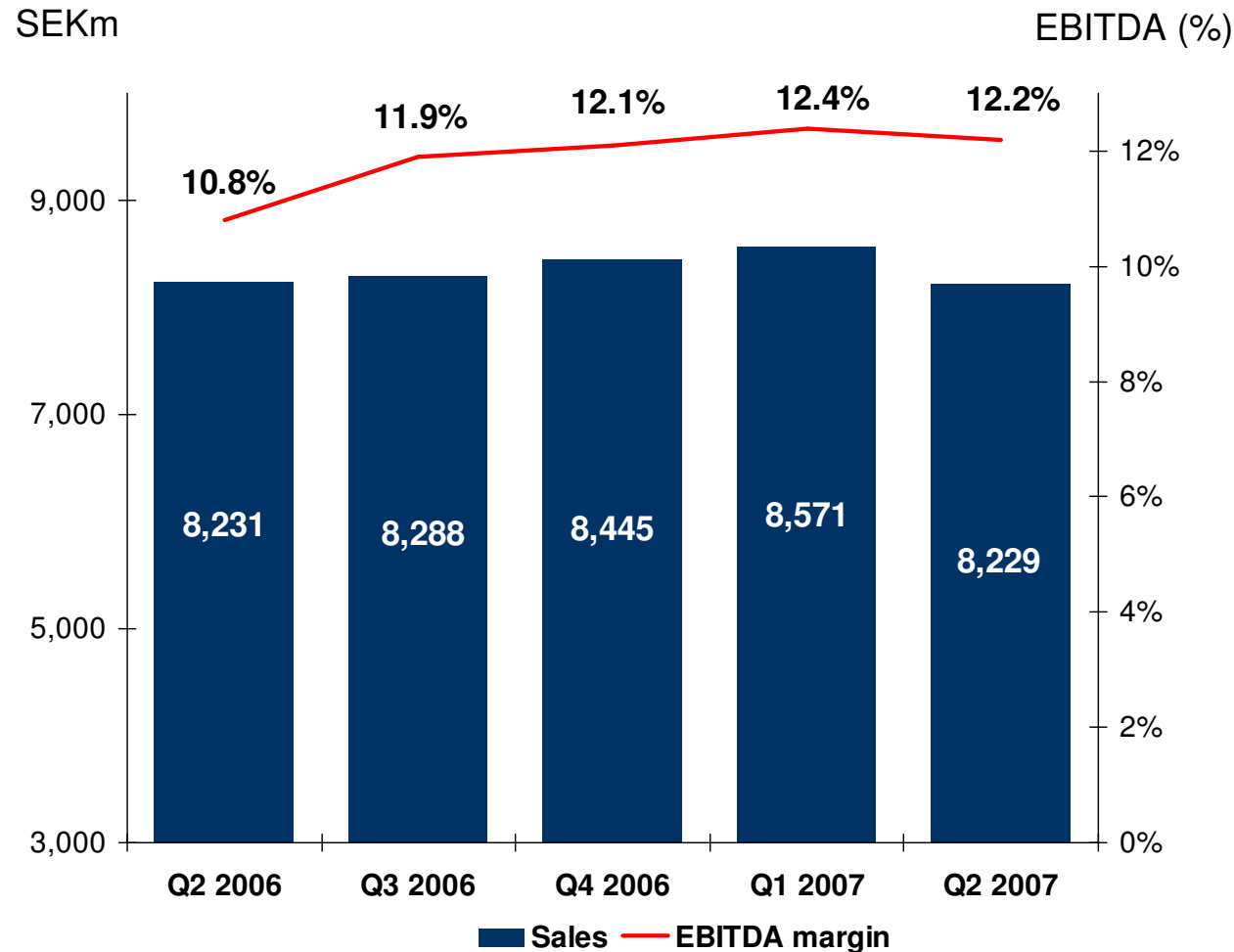


Tissue

- **Consumer tissue**
 - ◆ Strategic shift towards a product portfolio with higher value in Europe
- **AFH tissue Americas**
 - ◆ Strong growth and increased share of value/proprietary products
 - New customer contracts
 - Completion of Tork launch in October
- **AFH tissue Europe**
 - ◆ Positive volume and price development
- **Tissue in China**
 - ◆ Successful IPO of Vinda



Packaging – Quarterly Development



Q2/Q1 comments:

- Strong development with increased prices
- Higher costs for recovered paper
- Lower energy costs
- Divestiture of North American packaging operations



Packaging

- **Containerboard**

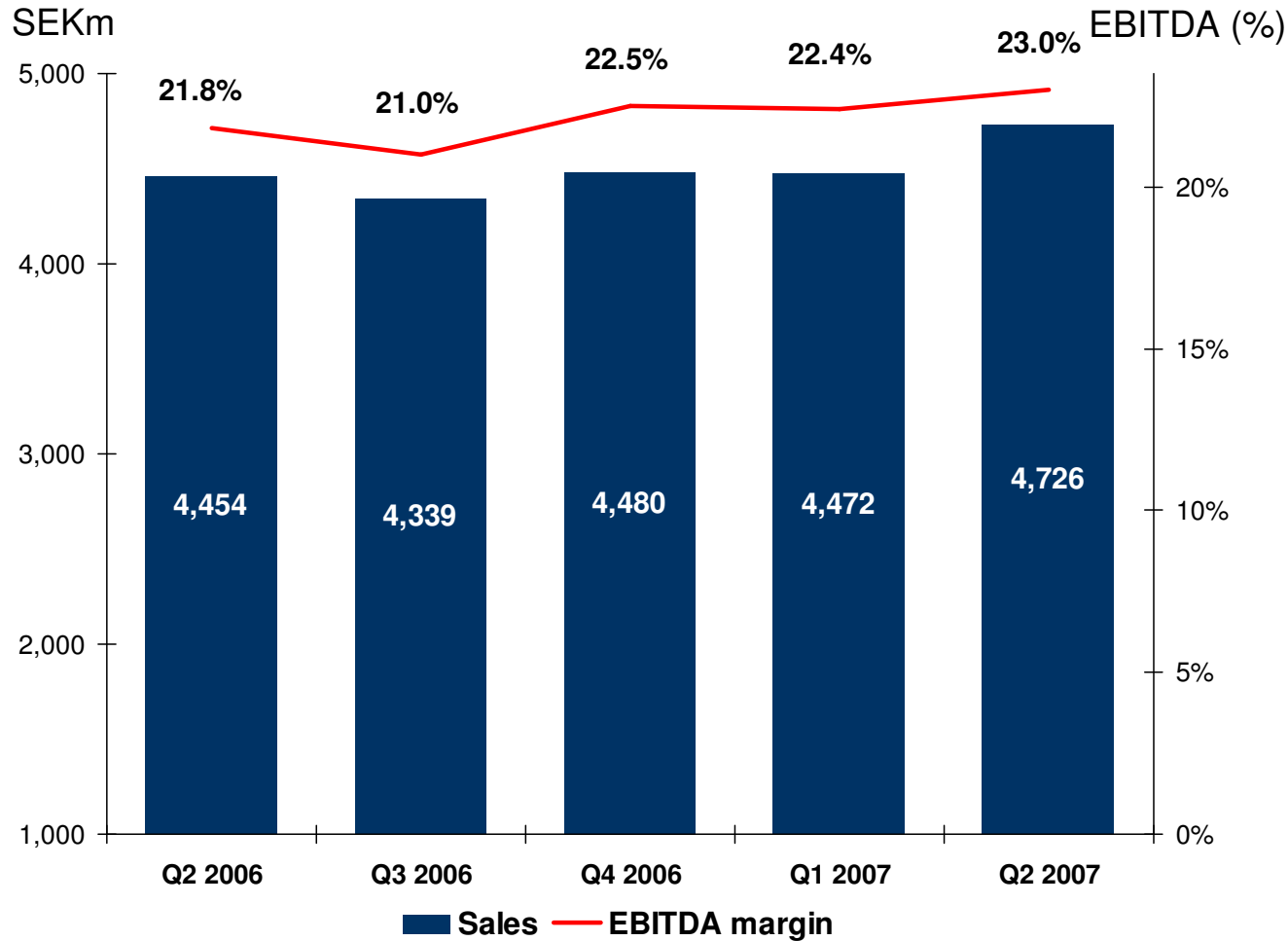
- ◆ Good market balance
- ◆ Increases in raw material costs

- **Corrugated packaging**

- ◆ Price increases under implementation, further improvements expected in H2
- ◆ Continued market growth



Forest Products – Quarterly Development



Q2/Q1 comments:

- Strong volumes and higher prices in pulp, timber and solid-wood products
- Increased volumes in Publication papers but disappointing price development
- Higher raw material costs



Forest Products

- **Publication papers**
 - ◆ Competitive European market for magazine papers
 - ◆ Higher costs for recovered paper and wood
- **Pulp, timber and solid-wood products**
 - ◆ Continued favourable market for solid-wood products
 - ◆ Strong pulp markets



Summary

- Delivering according to strategy
 - ◆ Strong organic growth, acquisitions and strategic investments
 - ◆ Increased share of value-added products and services
- Stable financial outlook
 - ◆ High raw material costs and uncertain energy markets
 - ◆ Strong volumes, price increases and product mix improvements



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